Non-tariff Barriers on Indian Exports

3841. SHRI SOLIPETA RAMACHANDRA REDDY : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the action taken to oppose non-tariff barriers by Western countries to restrict exports from India; and

(b) the other steps proposed to highlight cases where Indian exporters were subjected to unnecessary harassment at the hands of their foreign buyers at the WTO round of talks?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH) : (a) and (b) The problem arising due to non-tariff barriers are duly taken up with the concerned authorities of the countries concerned bilaterally with a view to their early and mutually satisfactory resolution. Certain issues, that are not resolved this way, have been taken up for resolution through WTO's Mechanism. In the WTO negotiations, India has co-sponsored proposals along with some other developing countries to disallow use of measures by developed countries that make exports difficult for developing countries.

Mauritius' Investment in India

3842. SHRI SURESH PACHOURI : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the details of leading first five countries on direct investment in India;

(b) whether Mauritius is on the top;

(c) if so, how Mauritius being a small economy, is able to invest in India a larger sum as compared to well known economies; and

(d) If so, what is Government's reaction thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) and (b) the top 5 countries investing in India during the last 5 years are given below. Mauritius has been the largest investor during this period.

(Rupees in crore)

No.	Country	1996	1997	1998	1999	2000
1.	Mauritius	2277	3664	2902	1891	3192
2.	USA	948	2578	1371	1811	1442
3.	Japan	301	391	781	636	681
4.	Germany	473	569	627	198	334
5.	U.K.	181	332	221	396	257

3816/RSS/01 -5

(c) Most of the Foreign Direct Investment (FDI) coming from Mauritius is by way of investment routed by overseas companies to their Wholly Owned Subsidiaries/Joint Ventures/Special Investment Vehicles set up in Mauritius. The main reason behind routing investment through Mauritius is due to the tax advantages available under the India–Mauritius Double Taxation Avoidance Agreement as also the low tax rate and no long-term or short-term capital gains tax in Mauritius.

(d) All Foreign Direct Investments are governed by the provisions of FEMA, which has adequate safeguards. Government of India have signed both the Bilateral Investment Protection Agreement (BIPA) and Double Taxation Avoidance Agreement with Mauritius. The huge inflow of FDI from Mauritius is primarily because of the tax advantage.

Performance of Export Processing Zones

3843. SHRI KHAGEN DAS : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the names of Export Processing Zones in the country, State-wise;

(b) the items and the total value of export made through each of these zones in the last three years, year-wise and zone-wise; and

(c) the items and value of imports made through each of these zones during the last three years, year-wise and zone-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH) : (a) There are seven Export Processing Zones (EPZs)/Special Economic Zones (SEZs) in the country set up by the Government. These are located at Kandla (Gujarat), Santa Cruz, Mumbai (Maharashtra), Noida (Uttar Pradesh), Chennai (Tamil Nadu), Cochin (Kerala), Falta (West Bengal) and Visakhapatnam (Andhra Pradesh). A Private Sector SEZ has also been set up at Surat (Gujarat).

(b) A statement (Statement–I) is given (*See* below).

(c) A statement (Statement–II) is given. (*See* below).